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| <b>Meeting</b>          | Finance & Policy Committee                  |
| <b>Date</b>             | 21 <sup>st</sup> May 2024                   |
| <b>Report Title</b>     | Asset Register – Sums Insured               |
| <b>Agenda Reference</b> | Agenda Item 17                              |
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### Officer's Recommendation:

To consider increasing the insurance cover to match the asset register values.

### Background

During 2022/23 it was noted that the Parish Office had not previously been included on the asset register. This was corrected and the figure from the 2022 valuation of rebuild cost was used (£370,000.00). The asset register uses purchase costs rather than repurchase or depreciated costs as per the Practitioners Guide. The valuation cost was used as this is the most recent known cost and the Practitioners Guide states:

*Ideally, assets are stated at their original cost but that this can be varied as long as the valuation is consistent year on year, and that any changes in valuation will require a restatement of the prior year figure.*

It was also noted that asset register totals for other areas did not match the sums insured. For example, the play area equipment is insured for £452,700.00, gates and fences for £20,065.00 and 'other surfaces' for £147,340.00. Total £620,105.00 against an asset register total of £840,208.00.

The insurer is provided with the asset register at renewal quotation stage each year. Upon investigation with the insurer, they replied that they use indexing rather than the asset register figures and the cost to increase the insurance cover to match the asset register will be around £400.00 per annum.

### Current Position

Unfortunately this was not picked up at the current renewal stage and so the insured figures have merely been indexed year on year.

The Parish Office value has been indexed and is currently insured for £681,996.80. The independent valuation was completed on 29<sup>th</sup> March 2022 (attached as appendix a).

The Grounds Maintenance Facility will need to be added to the policy upon completion.

The current policy has been paid up to February 2025 with £721.00 remaining in the budget to cover the final two months to the year end. There is little scope to pay additional premiums without going over the budget. However, this would constitute a



relatively low overspend on the full council expenditure.